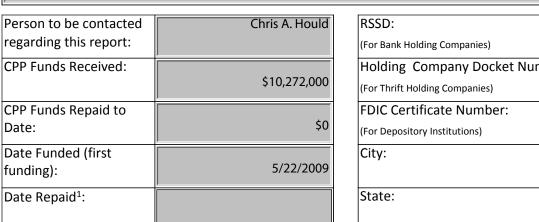
## **ANNUAL USE OF CAPITAL SURVEY - 2009**

## NAME OF INSTITUTION

(Include Holding Company Where Applicable)

(include Holding Company Where Applican	116
Illinois State Bancorp, Inc	



RSSD:
(For Bank Holding Companies)

Holding Company Docket Number:
(For Thrift Holding Companies)

FDIC Certificate Number:
(For Depository Institutions)

City:

Chicago

State:

Illinois

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

X	Increase lending or reduce lending less	Loans increased by \$32,000,000.00 between the period of May 2009 and December 2009 of which
	than otherwise would have occurred.	approximately 25% was in 1-4 family section 8 housing.



<sup>&</sup>lt;sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Loan growth was primarily Commercial Real Estate
etc.).	Investments grew \$15,000,000.00 (FNMA, FHLB, FFCB) between the period of May 2009 and December 2009.
	N/A
Increase reserves for non-performing assets	Increased ALLL by \$1,853,000.00

	Reduce borrowings	N/A
	Increase charge-offs	N/A
	Purchase another financial institution or	N/A
	purchase assets from another financial institution	
$\overline{X}$	Held as non-leveraged increase to total	The banks did not increase the Holding Company loan based on the additional capital provided
	capital	under CPP

	What actions were you able to avoid because of the capital infusion of CPP funds?			
	Nothing at this time.			
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nat actions were you able to take that you may not have taken without the capital infusion of CPP funds?	
an growth posit growth at existing branches as well as new branch opened January 2009 creased Security Portfolio allowing for additional pledging capacity proved Liquidity to support loan growth proved to preform due diligence on possible bank acquisitions from the FDIC.	

Enhanced our Correspondent Banking Relationship	Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.
	Enhanced our Correspondent Banking Relationship

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.